

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6809**

**BILL NUMBER:** HB 1334

**NOTE PREPARED:** Jan 27, 2004

**BILL AMENDED:** Jan 26, 2004

**SUBJECT:** Public Safety Survivor Insurance.

**FIRST AUTHOR:** Rep. Lawson L

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill requires certain public safety employers to offer to provide and pay for health insurance coverage for the surviving spouse and dependent children of certain public safety employees who die in the line of duty.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** (Revised) The bill requires certain public safety employers to provide and pay for health insurance coverage for surviving spouses and dependent children of public safety employees who die in the line of duty.

For the state, this includes the State Police, excise police officers of the Alcohol and Tobacco Commission, correctional officers of the Department of Correction, conservation enforcement officers of the Department of Natural Resources, and police officers of the state educational institutions. For other political subdivisions, the bill includes town marshals, deputy town marshals, and county police officers. The health insurance coverage must be equal to that of active employees. The bill would apply to all surviving spouses and dependent children meeting the requirements of the bill regardless of whether the line-of-duty death occurred prior to or after the effective date of the bill.

The cost of the bill to the state would be the cost of the state employee health benefit plans. The cost to local units would be the cost of the health insurance coverage provided to active employees. The size of the newly covered group is such that specific data on the number of these public safety officers who died in the line of duty are not readily available, nor are the number of surviving spouses and dependent children. However, the estimated cost of insurance coverage based on potential numbers of eligible surviving spouses and dependent children is provided in the table below. Local units currently may buy into coverage equivalent to the state employee health plans. The current cost of this coverage is also provided in the table.

Number of Survivor Units *	Annual Cost of State Employee Health Plan- Single Coverage	Annual Cost of State Employee Health Plan- Family Coverage	If Distribution of Coverage among Qualifying Survivors Is Similar to That for State Employees	Cost Estimate for Local Buy-in to State Health Insurance- Single Coverage	Cost Estimate for Local Buy-in to State Health Insurance- Family Coverage
10	\$44,675	\$118,526	\$88,986	\$64,485	\$172,545
20	\$89,350	\$237,053	\$177,972	\$128,970	\$345,090
30	\$134,025	\$355,579	\$266,957	\$193,455	\$517,635
40	\$178,700	\$474,105	\$355,943	\$257,940	\$690,180
* May include a spouse, dependent children, or both.					

These estimated costs would be split among various state agencies and local agencies.

*Background Information:* This bill extends the provisions of P.L. 86-2003 to survivors of certain public safety officers who die in the line of duty. The new group include the following: a member of a fire department, other than a member described in:

- (A) IC 36-8-7-12.3(g);
- (B) IC 36-8-7-12.4(j);
- (C) IC 36-8-8-13.9(d); or
- (D) IC 36-8-8-14.1(h);
- (2) a member of a police department, other than a member described in:
  - (A) IC 36-8-6-9.7(f);
  - (B) IC 36-8-6-10.1(h);
  - (C) IC 36-8-8-13.9(d); or
  - (D) IC 36-8-8-14.1(h);
- (3) a correctional officer (as defined in IC 5-10-10-1.5);
- (4) an excise police officer;
- (5) a conservation enforcement officer;
- (6) a town marshal;
- (7) a deputy town marshal;
- (8) a state police officer;
- (9) a county police officer, other than an officer described in IC 36-8-10-16.5;
- (10) a county sheriff, other than a sheriff described in IC 36-8-10-16.5; or
- (11) a member of a police department of a state educational institution (as defined in IC 20-12-0.5-1).

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See *Explanation of State Expenditures*.

**Explanation of Local Revenues:**

**State Agencies Affected:** State Police, Alcohol and Tobacco Commission, Department of Natural Resources, Department of Corrections, State Universities.

**Local Agencies Affected:** Counties, cities, and towns.

**Information Sources:** Health insurance rates for 2004; LUG rates for 2003.

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